

EXHIBIT 20

BegControl :
PUBLIX-MDLT8-001472
85

EndControl :
PUBLIX-MDLT8-001472
89

FamilyID :

Internal Reference Number :

Custodian : **Hewell, Chris**

Custodian - All :

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DRUG ENFORCEMENT ADMINISTRATION



December 27, 2007

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Registrants that rely on rigid formulas to define whether an order is suspicious may be failing to detect suspicious orders. For example, a system that identifies orders as suspicious only if the total amount of a controlled substance ordered during one month exceeds the amount ordered the previous month by a certain percentage or more is insufficient. This system fails to identify orders placed by a pharmacy if the pharmacy placed unusually large orders from the beginning of its relationship with the distributor. Also, this system would not identify orders as suspicious if the order were solely for one highly abused controlled substance if the orders never grew substantially. Nevertheless, ordering one highly abused controlled substance and little or nothing else deviates from the normal pattern of what pharmacies generally order.

When reporting an order as suspicious, registrants must be clear in their communications with DEA that the registrant is actually characterizing an order as suspicious. Daily, weekly, or monthly reports submitted by a registrant indicating "excessive purchases" do not comply with the requirement to report suspicious orders, even if the registrant calls such reports "suspicious order reports."

Lastly, registrants that routinely report suspicious orders, yet fill these orders without first determining that order is not being diverted into other than legitimate medical, scientific, and industrial channels, may be failing to maintain effective controls against diversion. Failure to maintain effective controls against diversion is inconsistent with the public interest as that term is used in 21 USC 823 and 824, and may result in the revocation of the registrant's DEA Certificate of Registration.

For additional information regarding your obligation to report suspicious orders pursuant to 21 CFR 1301.74(b), I refer you to the recent final order issued by the Deputy Administrator, DEA, in the matter of Southwood Pharmaceuticals Inc., 72 FR 36487 (2007). In addition to discussing the obligation to report suspicious orders when discovered by the registrant, and some criteria to use when determining whether an order is suspicious, the final order also specifically discusses your obligation to maintain effective controls against the diversion of controlled substances.

Sincerely,



Joseph T. Rannazzisi
Deputy Assistant Administrator
Office of Diversion Control

Publix - McK Confidential Valuation Analysis Worksheet Tool 051208

Locations 706

P-PUB

Current

Scenario 1

\$ 646,456.47 \$ 7,757,477.67 \$ 465,448.66

Volume	Brand Rx	OTC/Gen/Net	Total	volume per location
	\$ 1,108,996,078	-\$ 70,786,984	\$ 1,179,783,062	\$ 139,257
	-2.39%			
	\$ (26,505,006)		\$ (26,505,006)	
	-0.0245			
	\$ (27,170,404)	\$ (665,398)		

Brand Rx	OTC/Gen/Net	WH	Total	Delta	ume per location
\$ 873,039,466	\$ 70,786,984	\$ 235,956,612	\$ 1,179,783,062		\$ 139,257
-2.45%		-2.80%			
\$ (21,389,467)		\$ (6,606,785)	\$ (27,996,252)	\$ (1,491,245)	
				-0.06%	

Scenario 2

Brand Rx	OTC/Gen/Net	WH	WH 2 (10% Direct)	Total	Delta	volume per location
\$ 873,039,466	\$ 70,786,984	\$ 117,978,306	\$ 117,978,306	\$ 1,179,783,062		\$ 125,331
-2.39%		-2.80%	-0.032			
\$ (20,865,643)		\$ (3,303,393)	\$ (3,775,305)	\$ (27,944,342)	\$ (1,439,335)	

WH Expense

\$ 100.00	\$ 1,179,783	\$ 1,179,783	
\$ 0.14	\$ 165,170	\$ 165,170	\$ 330,339.40

P-PUB-0429

Area	Annual Millions		Valuation
	Current Volume	Extension Volume	
Rx MU / DSD- 6 basis points improvement vs. current COG on \$1.1B discountable Rx purchases ... assuming current average of -2.45% to projected -2.39%	\$ 1,109	\$ 873	\$ (5,120,000)
Rx MU / Whse- 41 basis points improvement vs. current COG on \$2.36B ... assuming current average of -2.39% to projected -2.80%	\$ -	\$ 236	\$ 6,610,000
Net COGs impact			\$ 1,490,000
OneStop and Northstar generic savings			TBD
Incremental Publix distribution cost			\$ (330,000)
Lakeland DC returns handling charge benefit (current projected 50 bps returns per year held by Publix- 3% McKesson handling charge vs. 85% recovery rate outside of McKesson)			\$ 184,800
CSOS consideration			\$ 50,000
Sub - Total			\$ 1,394,800
Terms savings on WH purchases @ a 6% valuation rate (1 Day sale = 646K * 12 days * 6%)			\$ 465,000
Annual projected Capital Cost for 50 bps of returns held by Publix			\$ 92,400
Discounted cash flow reduction associated with holding returns for 12 months that is regained by returning product immediately through McKesson			\$ 74,000
Total including capital charge impact			\$ 2,026,200

(26.51) (21.39)

(6.61)